

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

UNITED STATES OF AMERICA	)	
	)	No.
v.	)	
	)	Violations: Title 18, United States
LINDA HUDSON,	)	Code, Sections 2, 666, 1343, and 1346.
KENDALL PARROTT, and	)	
JULIUS PATTERSON	)	

**COUNT ONE**

The SPECIAL AUGUST 2006-1 GRAND JURY charges:

1. At times material to this indictment:

a. The Harvey Park District (“HPD”) was a unit of local government organized under the laws of the State of Illinois, Park District Code, 70 ILCS 1205/1-1, *et seq.* The HPD was funded in part by taxes levied on all of the taxable properties in the City of Harvey, Illinois.

b. The HPD’s mission included maintaining parks and providing recreation for residents of the City of Harvey. The HPD facilities included more than 15 parks and baseball fields, as well as a banquet hall and recreation center.

c. In furtherance of its mission, the HPD employed numerous individuals who participated in the administration and maintenance of the HPD and its facilities. The HPD compensated regular personnel, including defendants LINDA HUDSON and KENDALL PARROTT, by salary, based upon a pre-scheduled 40-hour work week. The HPD had the option of increasing salaries at the time an employee received his or her annual performance evaluation.

d. The legislative and governing body of the HPD was a publicly elected Board of Commissioners (“HPD Board”). The HPD Board consisted of five Park

Commissioners. The Park Commissioners then elected one of the board members to serve as a President, Vice President, and Treasurer. The HPD Board did not receive a salary for their services.

e. In 1999, JULIUS PATTERSON was elected by the citizens of Harvey to the HPD Board. In 2001, PATTERSON became the President of the HPD Board. As the President, PATTERSON's duties included presiding over all meetings of the HPD Board, appointing various officers and employees, investigating complaints against appointed officers and employees, and approving ordinances, and signing licenses, permits, and commissions on behalf of the HPD Board.

f. In 2001, KENDALL PARROTT was appointed as the Director of the HPD. As the Director, PARROTT's duties included maintaining, improving, and repairing all properties of the HPD. PARROTT's duties also included supervising all work done by contract. It was also PARROTT's responsibility to supervise employees, investigate complaints made against employees, and discipline employees for violations of duty.

g. In 2003, LINDA HUDSON was hired by the HPD. In 2004, HUDSON was appointed to the position of Assistant Director of the HPD.

h. During the time that they were associated with the HPD, JULIUS PATTERSON, KENDALL PARROTT, and LINDA HUDSON all obtained corporate credit cards in the name of the HPD. These credit cards were to be used for HPD business-related expenses.

2. Beginning no later than in or about November 2002, and continuing to at least in or about October 2004, in the Northern District of Illinois, Eastern Division, and elsewhere,

LINDA HUDSON,  
KENDALL PARROTT, and  
JULIUS PATTERSON,

defendants herein, knowingly devised and participated in a scheme to defraud the City of Harvey and its citizens of money, property, and the intangible right to the honest services of defendants and other employees of the HPD, and to obtain money and property by materially false and fraudulent pretenses and representations and material omissions, resulting in a loss of approximately \$144,035.92 to the HPD, which scheme is further described below.

3. It was part of the scheme that defendants LINDA HUDSON, KENDALL PARROTT, and JULIUS PATTERSON converted and misapplied public HPD funds for non-public purposes by using HPD credit cards for personal expenditures.

4. It was further part of the scheme that, during business hours, LINDA HUDSON would instruct employees of the HPD to drive HUDSON to various shopping centers and retail establishments, including shopping malls, nail salons, and restaurants, where HUDSON would use her HPD credit card to purchase personal items while the employees waited for HUDSON. HUDSON then instructed the employees to drive her home or to drive her back to work.

5. It was further part of the scheme that KENDALL PARROTT used his HPD credit card for various personal expenditures for himself and his family, including automotive parts and repairs, campaign expenditures, and prescription medications.

6. It was further part of the scheme that JULIUS PATTERSON used his HPD credit card for various personal expenditures, including clothing.

7. It was further part of the scheme that after defendants LINDA HUDSON, KENDALL PARROTT, and JULIUS PATTERSON used their credit cards for personal expenditures, KENDALL PARROTT concealed the scheme to defraud, in part by instructing Employee A that the expenditures should be classified in HPD's accounting books as genuine HPD purchases, such as "board-related expenses" or "special events."

8. It was further part of the scheme that LINDA HUDSON, KENDALL PARROTT, and JULIUS PATTERSON converted and misapplied public HPD funds for non-public purposes by receiving personal services and cash payments from vendors who were being compensated by the HPD.

9. It was further part of the scheme that LINDA HUDSON directed Vendor A to perform landscaping work at HUDSON's residence. Vendor A told LINDA HUDSON and KENDALL PARROTT what the cost would be. KENDALL PARROTT instructed that Vendor A should bill the HPD for the work. Vendor A did bill the HPD for the work, and the HPD paid for the services.

10. It was further part of the scheme that KENDALL PARROTT directed Vendor A to perform work at one of JULIUS PATTERSON's homes. As with the previous work performed by Vendor A, the HPD was billed for the services and paid the bill.

11. It was further part of the scheme that JULIUS PATTERSON instructed Vendor B to perform automotive work on JULIUS PATTERSON's and KENDALL PARROTT's personal vehicles, and further instructed Vendor B to bill HPD for these services. Vendor B did perform work on PATTERSON's and PARROTT's vehicles, and the HPD paid for these services.

12. It was further part of the scheme that JULIUS PATTERSON provided payments to Vendor C. These payments were in excess of the amount that Vendor C had

proposed to charge the HPD for the services provided. On some occasions, PATTERSON then instructed Vendor C to kick back cash to PATTERSON from the inflated payments. On other occasions, PATTERSON instructed Vendor C to increase the amount of his bid, and then instructed Vendor C to kick back the amount of increased charges to PATTERSON.

13. It was further part of the scheme that, after the HPD accountants requested specific documentation for certain expenditures, defendants LINDA HUDSON and JULIUS PATTERSON attempted to conceal their scheme to defraud in part by directing the creation of fraudulent invoices to be submitted to the accountants.

14. It was further part of the scheme that, after Employee B assisted LINDA HUDSON with the creation of fraudulent invoices, LINDA HUDSON authorized a bonus payment to Employee B from the HPD's payroll account.

15. It was further part of the scheme that at the direction of LINDA HUDSON, KENDALL PARROTT, and JULIUS PATTERSON, employees of the HPD performed personal services for HUDSON, PARROTT, and PATTERSON during those employees' scheduled work hours.

16. It was further part of the scheme that LINDA HUDSON directed HPD employees to perform maintenance work at her home during work hours, including repairing HUDSON's garage door, repairing a fence, and painting the inside of HUDSON's home.

17. It was further part of the scheme that KENDALL PARROTT directed that HPD employees perform maintenance work at his home during work hours, including removing garbage from his residence and setting up a tent in his yard.

18. It was further part of the scheme that JULIUS PATTERSON directed that HPD employees perform maintenance work at various properties he owned during work hours, including yard work and removing appliances from properties that were being rehabilitated.

19. It was further part of the scheme that LINDA HUDSON directed that payments be made from HPD payroll accounts for her family members, although no work had been done to justify the payments directed by LINDA HUDSON.

20. It was further part of the scheme that JULIUS PATTERSON, LINDA HUDSON and KENDALL PARROTT attempted to conceal the scheme to defraud the HPD. LINDA HUDSON and KENDALL PARROTT did so, in part by hiding evidence of the scheme – including credit card statements, payroll records, and receipts – in two backpacks, and giving those backpacks to Individual A, with instructions that Individual A should hide the backpacks.

21. On or about March 11, 2003, at Harvey, in the Northern District of Illinois, Eastern Division, and elsewhere,

KENDALL PARROTT,

defendant herein, for the purpose of executing the above-described scheme, did knowingly cause to be transmitted in interstate commerce from Springfield, Illinois, to Jeffersonville, Indiana, by means of wire and radio communications, certain writings, signs, and signals, namely: a facsimile to America's Campaign Store authorizing an HPD credit card purchase of campaign signs for KENDALL PARROTT as a candidate for School District 144;

In violation of Title 18, United States Code, Sections 1343, 1346 and 2.

## **COUNT TWO**

The SPECIAL AUGUST 2006-1 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 20 of Count One of this indictment are hereby realleged and incorporated as if fully set forth herein.

2. On or about November 30, 2002, at Tinley Park, in the Northern District of Illinois, Eastern Division, and elsewhere,

KENDALL PARROTT,

defendant herein, for the purpose of executing the above-described scheme, did knowingly cause to be transmitted in interstate commerce from Tinley Park, Illinois, through Master Card's Missouri headquarters, by means of wire and radio communications, certain writings, signs, and signals, namely: a credit card transaction using an HPD credit card purchasing automotive services and products from Firestone Tires for KENDALL PARROTT's personal vehicle;

In violation of Title 18, United States Code, Sections 1343, 1346 and 2.

### **COUNT THREE**

The SPECIAL AUGUST 2006-1 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 20 of Count One of this indictment are hereby realleged and incorporated as if fully set forth herein.

2. On or about December 26, 2003, at Harvey, in the Northern District of Illinois, Eastern Division, and elsewhere,

KENDALL PARROTT,

defendant herein, for the purpose of executing the above-described scheme, did knowingly cause to be transmitted in interstate commerce from Harvey, Illinois, through Master Card's Missouri headquarters, by means of wire and radio communications, certain writings, signs, and signals, namely: a credit card transaction using an HPD credit card purchasing prescription medications for one of KENDALL PARROTT's family members;

In violation of Title 18, United States Code, Sections 1343, 1346 and 2.



#### **COUNT FOUR**

The SPECIAL AUGUST 2006-1 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 20 of Count One of this indictment are hereby realleged and incorporated as if fully set forth herein.

2. On or about October 11, 2004, at Dolton, in the Northern District of Illinois, Eastern Division, and elsewhere,

LINDA HUDSON,

defendant herein, for the purpose of executing the above-described scheme, did knowingly cause to be transmitted in interstate commerce from Dolton, Illinois, through Master Card's Missouri headquarters, by means of wire and radio communications, certain writings, signs, and signals, namely: a credit card transaction using an HPD credit card at Lucky Nails;

In violation of Title 18, United States Code, Sections 1343, 1346 and 2.

### **COUNT FIVE**

The SPECIAL AUGUST 2006-1 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 20 of Count One of this indictment are hereby realleged and incorporated as if fully set forth herein.

2. On or about October 11, 2004, at Dolton, in the Northern District of Illinois, Eastern Division, and elsewhere,

LINDA HUDSON,

defendant herein, for the purpose of executing the above-described scheme, did knowingly cause to be transmitted in interstate commerce from Dolton, Illinois, through Master Card's Missouri headquarters, by means of wire and radio communications, certain writings, signs, and signals, namely: a credit card transaction using an HPD credit card at Dress to Impress;

In violation of Title 18, United States Code, Sections 1343, 1346 and 2.

## **COUNT SIX**

The SPECIAL AUGUST 2006-1 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 20 of Count One of this indictment are hereby realleged and incorporated as if fully set forth herein.

2. On or about October 24, 2004, at Calumet City, in the Northern District of Illinois, Eastern Division, and elsewhere,

LINDA HUDSON,

defendant herein, for the purpose of executing the above-described scheme, did knowingly cause to be transmitted in interstate commerce from Calumet City, Illinois, through Master Card's Missouri headquarters, by means of wire and radio communications, certain writings, signs, and signals, namely: a credit card transaction using an HPD credit card at Wilson's Leather;

In violation of Title 18, United States Code, Sections 1343, 1346 and 2.

### **COUNT SEVEN**

The SPECIAL AUGUST 2006-1 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 20 of Count One of this indictment are hereby realleged and incorporated as if fully set forth herein.

2. On or about September 18, 2004, at Dolton, in the Northern District of Illinois, Eastern Division, and elsewhere,

JULIUS PATTERSON,

defendant herein, for the purpose of executing the above-described scheme, did knowingly cause to be transmitted in interstate commerce from Dolton, Illinois, through Master Card's Missouri headquarters, by means of wire and radio communications, certain writings, signs, and signals, namely: a credit card transaction using an HPD credit card at Dress to Impress;

In violation of Title 18, United States Code, Sections 1343, 1346 and 2.

### **COUNT EIGHT**

The SPECIAL AUGUST 2006-1 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 20 of Count One of this indictment are hereby realleged and incorporated as if fully set forth herein.

2. On or about September 11, 2004, at Lansing, in the Northern District of Illinois, Eastern Division, and elsewhere,

JULIUS PATTERSON,

defendant herein, for the purpose of executing the above-described scheme, did knowingly cause to be transmitted in interstate commerce from Lansing, Illinois, through Master Card's Missouri headquarters, by means of wire and radio communications, certain writings, signs, and signals, namely: a credit card transaction using an HPD credit card at K&G Superstore;

In violation of Title 18, United States Code, Sections 1343, 1346 and 2.

### COUNT NINE

The SPECIAL AUGUST 2006-1 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 20 of Count One of this indictment are hereby realleged and incorporated as if fully set forth herein.

2. On or about April 6, 2004, at Flossmoor, in the Northern District of Illinois, Eastern Division, and elsewhere,

JULIUS PATTERSON,

defendant herein, for the purpose of executing the above-described scheme, did knowingly cause to be transmitted in interstate commerce from Flossmoor, Illinois, through Master Card's Missouri headquarters, by means of wire and radio communications, certain writings, signs, and signals, namely: a credit card transaction using an HPD credit card at Valentino's For Men;

In violation of Title 18, United States Code, Sections 1343, 1346 and 2.

## COUNT TEN

The SPECIAL AUGUST 2006-1 GRAND JURY further charges:

1. The allegations in paragraph 1 of Count One of this indictment are hereby realleged and incorporated as if fully set forth herein.
2. At times material to this indictment, Vendor A was the owner of a landscaping company that performed contract work for the HPD.
3. In or about July 2004, at Harvey, in the Northern District of Illinois and elsewhere,

LINDA HUDSON, and  
KENDALL PARROTT,

defendants herein, being agents of the HPD, did embezzle, steal, obtain by fraud, and otherwise without authority knowingly convert to the use of any person other than the rightful owner and intentionally misapply approximately \$7,450 owned by, and under the care, custody, and control of the HPD, by representing that Vendor A had performed work on behalf of the HPD and approving payment for such work, when in fact Vendor A had performed work at the home of LINDA HUDSON, the HPD being a local government that received in excess of \$10,000 in federal assistance in a twelve-month period from October 1, 2003 to September 30, 2004;

In violation of Title 18, United States Code, Sections 666(a)(1)(A) and 2.

## **COUNT ELEVEN**

The SPECIAL AUGUST 2006-1 GRAND JURY further charges:

1. The allegations in paragraph 1 of Count One of this indictment are hereby realleged and incorporated as if fully set forth herein.

2. At times material to this indictment, Vendor C was the owner of an electrical contracting company that placed bids for work at the HPD.

3. Beginning in or about in or about January 2003 and continuing to in or about March 2003, at Harvey, in the Northern District of Illinois, Eastern Division, and elsewhere,

**JULIUS PATTERSON,**

defendant herein, being an agent of the HPD, did embezzle, steal, obtain by fraud, and otherwise without authority knowingly convert to the use of any person other than the rightful owner and intentionally misapply approximately \$6,300 owned by, and under the care, custody, and control of the HPD, by increasing the amount of one of Vendor C's payments by approximately \$6,300 and then instructing Vendor C to pay PATTERSON that amount back in cash, the HPD being a local government that received in excess of \$10,000 in federal assistance in a twelve-month period from October 1, 2002 to September 20, 2003;

In violation of Title 18, United States Code, Sections 666(a)(1)(A) and 2.



### FORFEITURE ALLEGATION

The SPECIAL AUGUST 2006-1 GRAND JURY further charges:

1. The allegations contained in Counts One through Eleven of this Indictment are realleged and incorporated herein by reference for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).

2. As a result of their violation of Title 18, United States Code, Sections 1343 and 666, as alleged in the foregoing Indictment,

LINDA HUDSON,  
KENDALL PARROTT, and  
JULIUS PATTERSON,

defendants herein, shall forfeit to the United States, pursuant to Title 18, United States Code, Section, 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), any and all right, title and interest in property, real and personal, which constitutes and is derived from proceeds traceable to the charged offense.

3. The interests of the defendants subject to forfeiture pursuant to Title 18, United States Code, Section, 981(a)(1)(C) and Title 28, United States Code, Section 2461(c) include but are not limited to:

\$144,035.92.

4. If any of the property subject to forfeiture and described above, as a result of any act or omission of the defendants:

- (a) Cannot be located upon the exercise of due diligence;
- (b) Has been transferred or sold to, or deposited with, a third party;
- (c) Has been placed beyond the jurisdiction of the Court;
- (d) Has been substantially diminished in value; or

- (e) Has been commingled with other property which cannot be divided without difficulty,

the United States of America shall be entitled to forfeiture of substitute property under the provisions of Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c).

All pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).

A TRUE BILL:

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FOREPERSON

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UNITED STATES ATTORNEY